

# **EXHIBIT 2**

**FILED UNDER SEAL**

# SONOS

## SONOS, INC. CONTENT INTEGRATION AGREEMENT

This Content Integration Agreement (the "Agreement") is entered into between Sonos, Inc., a Delaware corporation, and Google, Inc., the entity agreeing to these terms ("Licensee"). This Agreement will be effective as of the date last executed below ("Effective Date").

### RECITALS

Service Provider operates an Internet-based music service providing content to consumers (referred to herein as the "Music Service").

Sonos manufactures, markets and sells products comprising a wireless home music system (the "Sonos MMS") that facilitate consumer access to Internet-based music content and other media services that consumers can access, via online sources, such as the Music Service

Through the use of an application program interface developed by Sonos (the "Sonos API") provided under the terms of that certain API Evaluation and Development License Agreement (the "Development Agreement"), Service Provider has produced or will produce an application that allows consumers of the Sonos MMS to directly access, control and play content provided by the Music Service on or through the Sonos MMS (the result of these development efforts is referred to as the "Integrated Service Offering").

**NOW, THEREFORE, Sonos and Licensee agree as follows:**

#### 1. INCORPORATION OF DEVELOPMENT AGREEMENT

- 1.1. The following terms and provisions of the Development Agreement are hereby incorporated by reference into this Agreement, and made a part hereof: Sections 1, 9 and 10.

#### 2. DISTRIBUTION AND TERRITORY

- 2.1. Music Service Territory. Subject to section 3.3 below, Service Provider will make available the Music Service for consumer use on or through the Sonos MMS in the form of the Integrated Service Offering in the countries specified in Exhibit B, as may be updated from time to time by the mutual written agreement of the parties (the "Territory") as set forth herein.

#### 3. DEVELOPMENT EFFORTS; INTELLECTUAL PROPERTY OWNERSHIP

- 3.1. License From Sonos to Service Provider. Subject to the terms and conditions of this Agreement, Sonos grants to Service Provider, during the Term and in the Territory, a limited, royalty-free, non-transferable, non sub-licensable, non-exclusive, license under Sonos's intellectual property rights to use and make copies of the Licensed Software for the purpose of allowing the Integrated Service Offering to communicate with the Sonos API so that the Music Service may be offered via the Sonos MMS. All right, title and interest in and to the Licensed Software remain vested in Sonos and cannot be assigned, transferred or further distributed by Service Provider. Service Provider may make recommendations for modifications to the Licensed Software, and if Sonos elects to implement such modifications, all such modifications shall be owned by Sonos, without any obligation or residual license owing to Service Provider, except to the extent that ownership of such modification is covered by a separately executed written agreement by both parties, which separate agreement will be proposed by Service Provider prior to any communication to Sonos of such modification. For the avoidance of doubt, Sonos is not under any obligation to make modifications to the Licensed Software.



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- 3.2. License From Service Provider to Sonos. Subject to the terms and conditions of this Agreement, Service Provider hereby grants to Sonos, during the Term and in the Territory, a royalty-free, nonexclusive, nontransferable license and right to provide access to the Music Service on or through the Sonos MMS to Sonos MMS end users ("End Users") via the Integrated Service Offering. Such license gives Sonos the right to promote, sell, offer to sell, and otherwise distribute, in the Territory, directly or indirectly, any Sonos MMS that incorporates or otherwise provides access to the Music Service via the Integrated Service Offering, and to permit End Users to access the Music Service directly from the Sonos MMS via the Integrated Service Offering.
- 3.3. Approval of Music Service. By execution of this Agreement and subsequent delivery of the Integrated Service Offering to Sonos, Service Provider hereby notifies (or will notify) Sonos that the Integrated Service Offering is ready for final compatibility testing and approval for commercial launch (collectively, "Launch Approval"). Sonos shall perform the requisite quality assurance testing to verify compatibility with the Sonos MMS, in accordance with Sonos's customer quality standards. To the extent that Sonos requires additional integration work to be done to meet Launch Approval, Sonos shall notify Service Provider, with a reasonable level of detail on the issues to be addressed. Service Provider shall use its commercially reasonable efforts to further modify the Integrated Service Offering to deliver a compliant beta offering as soon as is reasonably practicable. This process shall continue until Launch Approval is given in writing by Sonos. Notwithstanding the foregoing, the Integrated Service Offering may not be made commercially available by Sonos unless and until Google provides final Launch Confirmation in writing, which confirmation may be contingent on Sonos' adoption of Google's Remote Media Route Provider protocol. For the avoidance of doubt, it shall be considered a material breach of this Agreement if either party promotes, advertises or otherwise publicly discloses the Integrated Service Offering prior to receipt of Launch Approval and Launch Confirmation.
- 3.4. Ownership of Service Provider Intellectual Property Rights. The Music Service, the Provider Developments (as defined below), and any and all intellectual property rights arising from or related thereto are and shall remain the sole and exclusive property of Service Provider. Sonos will not claim for itself or for any third party any right, title, interest or licenses to the Music Service or Provider Developments, except for the limited license granted herein. The Provider Developments consist of any and all development work done by or on behalf of Service Provider in creating the Integrated Service Offering, and any code or other materials owned or controlled by Service Provider and included by Service Provider in the Integrated Service Offering, excluding the Licensed Software, under the terms of the Development Agreement.
- 3.5. Ownership of Sonos Intellectual Property Rights. The Sonos MMS and any and all intellectual property rights arising from or related thereto are and shall remain the sole and exclusive property of Sonos. Service Provider will not claim for itself or for any third party any right, title, interest or licenses to the Sonos MMS.

## 4. ACCESS; RESPONSIBILITIES

- 4.1. The Integrated Service Offering will be accessible to any existing or new customer of the Sonos MMS, provided that the End User (i) has established an account and subscription offering with Service Provider, and (ii) has registered with Sonos.





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- 4.2. Service Provider will determine, in its sole discretion, the pricing, terms and conditions for the Music Service and will be responsible for all related billing and customer service functions. In the event that Service Provider materially increases the consumer price or reduces the scope of the Music Service, Service Provider will notify Sonos no fewer than sixty (60) days prior to the commercial implementation of such change, provided that (a) if it is not commercially reasonable to provide the full sixty (60) days prior notice, Service Provider will give Sonos as much prior notice as is reasonably possible given the circumstances, and (b) in all cases, such notice and all communications related to such notice will be deemed the confidential information of Service Provider, and shall be governed by Section 9 of the Development Agreement as incorporated into this Agreement.
- 4.3. Suspension of Integrated Service Offering. Sonos may suspend End User access to the Integrated Service Offering under the following conditions:
- 4.3.1. If Sonos believes, in its reasonable and good faith judgment in consultation with counsel, that the Audio Service is in violation of third party intellectual property rights and the continuation of the Integrated Service offering could subject Sonos to material legal and/or financial exposure; or
- 4.3.2. If the operation of the Audio Service continually fails to meet a commercially reasonable standard of availability and performance, provided that such suspension shall not be imposed until the parties have discussed (and if necessary, escalated to senior personnel) the issues causing such failure.
- 4.4. The parties agree to undertake, and be bound by, the support and operational procedures specified in Exhibit A.
- 4.5. Service Provider will maintain a page within its primary website (e.g. currently play.google.com) where Sonos customers will be able sign-up for an account with Service Provider.
- 4.6. Sonos may provide Service Provider, via the Sonos API, with information regarding playback of content by end users. Service Provider may utilize such information for the purpose of verifying its payment obligations to applicable rights holders, but Service Provider agrees and acknowledges that any such information is for informational purposes only, and may not be used as the basis for establishing any payment or similar obligations owed by Service Provider. Service Provider alone shall be responsible for the proper computation and timely payment of any and all royalties associated with content provided to end users via the Integrated Service Offering.

## 5. TRADEMARKS

- 5.1. Each party hereby grants the other a nonexclusive, non-transferable, limited license during the Term and in the Territory to use its trademarks, logos, service names, and/or trade names (the "Marks") solely for the promotion of the activities specified in this Agreement. All such use shall be in accordance with each party's policies regarding advertising and trademark usage guidelines as amended from time to time. Each party must approve in writing all planned uses of that party's Marks prior to their use by the other party. Each party will retain all right, title and interest in and to its own Marks worldwide, subject to any limited license granted to the other parties hereunder. All goodwill arising out of the use of a party's Marks by the other party shall inure to the benefit of the party having title to the Mark. During the Term of this



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Agreement, each party agrees not to contest the validity of or otherwise challenge any of the other party's trademarks, service marks or trade dress that are existing as of the Effective Date.

## 6. TERM AND TERMINATION

- 6.1. Term. This Agreement will commence as of the Effective Date and continue for a period of two (2) years, unless earlier terminated by either party in accordance with the provisions of this Agreement (the "Initial Term"). This Agreement shall be automatically renewed for additional successive one (1) year periods, unless written notice of non-renewal is received no later than three (3) months prior to the expiration of the then current term.
- 6.2. Termination for Convenience. This Agreement may be terminated by either party for any reason, or no reason at all, upon three (3) months prior written notice.
- 6.3. Termination for Cause. This Agreement may be terminated by a party for cause immediately upon the occurrence of and in accordance with the following:
- 6.3.1. Insolvency Event. Either party may terminate this Agreement by delivering written notice to the other party upon the occurrence of any of the following events: (i) a receiver is appointed for the other party or its property; (ii) the other party makes a general assignment for the benefit of its creditors; (iii) the other party commences, or has commenced against it, proceedings under any bankruptcy, insolvency or debtor's relief law, which proceedings are not dismissed within ninety (90) days; or (iv) the other party is liquidated or dissolved.
- 6.3.2. Default. Either party may terminate this Agreement effective upon written notice to the other if the other party violates any material covenant, agreement, representation or warranty contained herein in any material respect or defaults or fails to perform any of its obligations or agreements hereunder in any material respect, which violation, default or failure to perform is not cured within thirty (30) days after notice thereof from the non-defaulting party stating its intention to terminate this Agreement by reason thereof.
- 6.4. Return of Materials; Survival. Upon the expiration or earlier termination of this Agreement, (i) each party will promptly return all confidential materials provided to it by the other, or certify in writing that all such materials have been deleted or otherwise destroyed, (ii) subject to the provisions of this Section 5.4, each party will cease using, displaying and promoting the Marks of the other party, and (iii) Sonos will cease distributing any Sonos MMS incorporating or otherwise making available the Integrated Service Offering. Notwithstanding any portion of the foregoing to the contrary, the expiration or earlier termination of this Agreement will not have any effect on End Users that have acquired the Sonos MMS prior to the effective date of expiration or termination, or their respective use of the Integrated Service Offering. Sections 1, 3.4, 3.5, 6.4, 7.2, 7.3, 8.1 and 9 of this Agreement will survive the expiration or earlier termination of this Agreement for any reason.

## 7. WARRANTY AND DISCLAIMER.

- 7.1. Mutual Warranty. Each party warrants and represents to the other that (i) it has the full corporate power and authority to enter into and carry out its obligations under this Agreement, (ii) that it will act in conformance with all applicable laws, regulations and court orders in performance of its obligations hereunder, and (iii) the execution and delivery of the Agreement





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by such party, and the performance by such party of its obligations pursuant to the Agreement, will not result in any material violation of or constitute a default under, any material agreement or obligation to which such party is currently bound.

- 7.2. EXCEPT FOR THE WARRANTIES PROVIDED IN SECTIONS 7.1 ABOVE, NEITHER PARTY MAKES ANY WARRANTIES, EXPRESS, IMPLIED, OR OTHERWISE. SERVICE PROVIDER AND SONOS EACH EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE, AND/OR NONINFRINGEMENT WITH RESPECT TO ITS RESPECTIVE PRODUCTS OR SERVICES, AS APPLICABLE. EACH PARTY ACKNOWLEDGES THAT OTHER THAN THE WARRANTIES PROVIDED IN SECTIONS 7.1 ABOVE, THE PRODUCTS AND/OR SERVICES PROVIDED HEREUNDER CARRY NO WARRANTY WHATSOEVER AND ARE PROVIDED SOLELY ON AN "AS-IS" BASIS.

## 8. LIMITATION OF LIABILITY

- 8.1. IN NO EVENT WILL EITHER PARTY BE LIABLE FOR ANY CONSEQUENTIAL, EXEMPLARY, SPECIAL, INDIRECT, INCIDENTAL OR PUNITIVE DAMAGES OR LOST PROFITS (EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES) ARISING FROM OR RELATING TO THIS AGREEMENT OR THE SUBJECT MATTER HEREOF, HOWEVER CAUSED, AND UNDER ANY THEORY OF LIABILITY. EXCEPT IN CASE OF GROSS NEGLIGENCE OR WILFUL MISCONDUCT, BREACH OF CONFIDENTIALITY OR WILLFUL MISAPPROPRIATION OF THE INTELLECTUAL PROPERTY OF THE OTHER PARTY, AND EXCEPT FOR THE PARTIES' OBLIGATIONS UNDER SECTION 9 HEREOF, UNDER NO CIRCUMSTANCES SHALL EITHER PARTY'S TOTAL LIABILITY OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY CLAIMS HEREUNDER, REGARDLESS OF THE FORUM AND REGARDLESS OF WHETHER ANY ACTION OR CLAIM IS BASED ON CONTRACT, TORT, (INCLUDING NEGLIGENCE), STRICT PRODUCT LIABILITY, INFRINGEMENT OR ANY OTHER LEGAL THEORY, EXCEED TEN THOUSAND DOLLARS (\$10,000); PROVIDED, HOWEVER, THAT IN NO EVENT SHALL THE LIMITATION SET FORTH HEREIN LIMIT A PARTY'S RIGHT TO OBTAIN EQUITABLE RELIEF AGAINST THE OTHER PARTY. EACH PARTY ACKNOWLEDGES THAT THE LIMITATION OF LIABILITY SET OUT IN THIS SECTION 7.1 REFLECTS AN INFORMED, VOLUNTARY ALLOCATION BETWEEN THE PARTIES OF THE RISKS (KNOWN AND UNKNOWN) THAT MAY EXIST IN CONNECTION WITH THIS AGREEMENT.

## 9. INDEMNIFICATION

- 9.1. Indemnification by Sonos. Subject to Section 9.4, Sonos shall defend, indemnify and hold harmless Service Provider and its Affiliates, and their officers, directors, employees, shareholders, agents, successors and assigns from and against any and all loss, damages, liabilities, settlements, costs and expenses (including reasonable legal expenses and the expenses of other necessary professionals) incurred as a result of a Claim (as defined below) brought against Service Provider (and/or its Affiliates) arising out of the breach of any representation or warranty provided by Sonos under this Agreement.
- 9.2. Indemnification by Service Provider. Subject to Section 9.4, Service Provider shall defend, indemnify and hold harmless Sonos and its Affiliates, and their officers, directors, employees, shareholders, agents, successors and assigns from and against any and all loss, damages, liabilities, settlements, costs and expenses (including reasonable legal expenses and the expenses of other necessary professionals) incurred as a result of a Claim (as defined below)



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brought against Sonos (and/or its Affiliates) arising out of the breach of any representation or warranty provided by Service Provider under this Agreement.

## 9.3. Intellectual Property Infringement Indemnity

9.3.1. Subject to Section 9.4, Sonos shall defend and/or settle any third party claim, action, suit or proceeding (collectively and individually, a "Claim") brought against Service Provider alleging that the Sonos MMS or use thereof infringes any third party Intellectual Property Right (as defined below), and shall pay all damages or settlement amounts finally awarded to the extent based upon such a Claim. As used herein, Intellectual Property Right means with respect to a given piece of technology, all current and future patents and other patent rights, utility models, copyrights, mask work rights, trademarks, trade secrets, and all other intellectual property rights in the Territory and the related documentation or other tangible expression thereof.

9.3.2. Subject to Section 9.4, Service Provider shall defend and/or settle any Claim brought against Sonos in the Territory alleging that the Music Service, or use thereof, infringes any third party Intellectual Property Right, and shall pay all damages or settlement amounts finally awarded to the extent based upon such a Claim.

9.4. Procedure. The party seeking relief under this Section 8 ("Indemnitee") shall: (i) promptly notify the other party ("Indemnitor") in writing of any Claim; (ii) provide Indemnitor with sole control of the defense and/or settlement thereof; and (iii) provide Indemnitor, at Indemnitor's request and expense, with reasonable assistance and full information with respect thereto. Indemnitee shall have the right to participate, at its own expense, with counsel of its own choosing in the defense and/or settlement of such Claim. The indemnification obligations of the parties in this Section 10 shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the consent of Indemnitor, which consent shall not be unreasonably withheld or delayed. The failure to deliver written notice to Indemnitor within a reasonable time after the commencement of any Claim, if and to the extent prejudicial to its ability to defend such Claim, shall relieve Indemnitor of any liability to Indemnitee under this Section 10.

## 10. REPORTING

On a monthly basis, Service Provider may report aggregated data from the previous month as follows:

- Number of End Users that listened at least once using a Sonos device, per country
- For those End Users: average session length in seconds, per country

Sonos shall, if Service Provider reports the data set forth above, report monthly data on the percentage of End Users that have used the Music Service at least once on their Sonos device, per country.



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IN WITNESS WHEREOF, the parties hereto have executed this Content Integration Agreement as of the date last executed here.

**GOOGLE, INC.**

**SONOS, INC.**

By: \_\_\_\_\_ 2013.11.14  
Name: Zohav Le 13:16:44  
Zohav Levine  
Director of Content Partnerships, Android  
Title: \_\_\_\_\_ -08'00'  
Date: \_\_\_\_\_

By: Craig A. Shelburne  
Name: Craig A. Shelburne  
Title: General Counsel  
Date: November 6, 2013



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## EXHIBIT A SUPPORT AND OPERATIONAL OBLIGATIONS

Support. During the term of this Agreement, each party agrees to make available to the other party resources, including technical support personnel, sufficient to ensure that the Integrated Service Offering provides a quality listener experience. Each party agrees to use commercially reasonable efforts to ensure such an experience by addressing complaints and making improvements to the system product and the SONOS API, as applicable, as the parties agree (collectively "Improvements").

Unplanned Outages. Service Provider shall promptly notify Sonos, preferably by automated notification between support teams, when an unplanned outage of the Music Service occurs. For issues outside of Service Provider's direct control (such as internet backbone, content delivery through 3rd party networks, etc.), Service Provider will use its commercially reasonable efforts to notify Sonos as soon as Service Provider has received notification of any sustained outage.

Planned Outages. In the event of a planned outage of the Music Service, Service Provider will use commercially reasonable efforts to provide Sonos with notice as to the scheduling of such a planned outage not less than forty-eight (48) hours prior to the planned outage.

Sonos End User Support. Sonos will be responsible for supporting Sonos end users including handling enquiries about how to enable and use the Music Service via the Sonos MMS. Service Provider will provide Level 3 support for issues where Sonos has reasonably established that there is a problem with the Music Service, including any modifications to the Sonos API. Level 3 support is defined as a senior support advisor of Service Provider who shall act as the designated point of contact for Sonos support staff. This support will be provided to Sonos support personnel (who will handle the communication with the Sonos end user).

Service Provider End User Support. Service Provider provides end-user support related to the Music Service and to subscription-related matters through the standard Service Provider support process.

Changes to Music Service. In the event that Service Provider intends to modify the Music Service where such a modification is reasonably likely to materially and negatively alter, directly or indirectly, the then-current listener experience or functionality of the Integrated Service Offering, Service Provider will provide Sonos with at least sixty (60) days notice of the planned modification, provided that (a) if it is not commercially reasonable to provide the full sixty (60) days prior notice, Service Provider will give Sonos as much prior notice as is reasonably possible given the circumstances, and (b) in all cases, such notice and all communications related to such notice will be deemed the confidential information of Service Provider, and shall be governed by Section 9 of the Development Agreement as incorporated into this Agreement.

Cessation. To the extent that Service Provider proposes to discontinue the Music Service, Service Provider will provide Sonos with at least three (3) months prior written notice, provided that (a) if it is not commercially reasonable to provide the full three (3) months prior notice, Service Provider will give Sonos as much prior notice as is reasonably possible given the circumstances, and (b) in all cases, such notice and all communications related to such notice will be deemed the confidential information of Service Provider, and shall be governed by Section 9 of the Development Agreement as incorporated into this Agreement. The purpose of such notice and termination right is to allow Sonos to manage its customers who are then-current users of the Integrated Service Offering.



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## EXHIBIT B TERRITORIES

Territories that have Google Play Music Services as of October 15, 2013:

1. Australia
2. Austria
3. Belgium
4. Czech Republic
5. Finland
6. France
7. Germany
8. Hungary
9. Ireland
10. Italy
11. Lichtenstein
12. Luxembourg
13. Mexico
14. Netherlands
15. New Zealand
16. Portugal
17. Russia
18. Spain
19. Switzerland
20. United Kingdom



